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## GLOSSARY OF TERMS

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Discount rate	Factor used to convert future monetary values to present values.
Joint costs	Costs that cannot be readily assigned to a single beneficiary or purpose, typically because they serve multiple users or purposes.
Net present value	The today of a stream of payments, receipts, or costs occurring over time, as discounted through the use of an interest rate.
Opportunity cost	The cost of forgoing certain opportunities or alternatives in favor of pursuing others.
Other direct benefits	Incidental direct benefits of a project over and above the direct outputs for which the plan is being formulated.
Willingness to pay	The expressed amount an individual would pay for a good or service. For goods or services sold in a market environment, this corresponds to the amount actually paid to obtain the goods or services. For nonmarket goods, it corresponds to the expressed amount an individual would be willing to pay to receive the stated benefits.